

LAW OFFICES  
**ALLEN H. HARRISON, JR.**  
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2009 NORTH 14<sup>TH</sup> STREET  
ARLINGTON, VIRGINIA 22201

TELEPHONE (703) 524-8309  
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July 2, 2002

Recordation No. 21888-Z

RECORDATION NO. 21888-Z FILED

SEP 20 '02 2:13 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

On behalf of BTM Capital Corporation, I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, entitled Amendment No 1 to Amended and Restated Security Agreement ("Amendment") dated as of July 2, 2002 to Amended and Restated Security Agreement dated as of October 19, 2001 and recorded with the STB October 19, 2001 under Recordation No. 21888-U.

The parties to the enclosed Amendment are:

BTM Capital Corporation, (as collateral agent for the Secured Parties) 125 Summer Street Boston, MA 02110	-	SECURED PARTY/for indexing <u>MORTGAGEE</u>
Flex Leasing I, LLC Suite 730 221 Main Street San Francisco, CA 94105	-	BORROWER/for indexing <u>MORTGAGOR</u>

The said Amendment, among other things, grants a security interest by the Borrower to the Secured Party in ALL EQUIPMENT NOW OWNED OR HEREAFTER ACQUIRED and the leases of the said equipment. The specific units of equipment in the instant Amendment are covered therein in Annex A thereof and show of record a change in the identification numbers used on twenty-four boxcars.

The Amendment should be recorded under Recodation No. 21888-Z.

The equipment covered by the instant Amendment is ALL EQUIPMENT NOW OWNED OR HEREAFTER ACQUIRED and the specific units of equipment in the instant Amendment are identified in Annex A to the Amendment (copy attached), namely, 24 boxcars identification changed from SRY6074-6097 to LW6074-6097.

A short summary of the Amendment to appear in the Surface Transportation Board Index is as follows:

"Covers all equipment now owned or hereafter acquired and the leases thereof. The units of equipment in the instant Amendment are as listed in the Amendment, as follows: 24 boxcars changed from SRY6074-6097 to LW6074-6097."

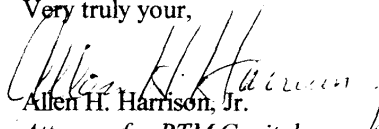
Please enter under this Recordation No. the following cross index reference:

"See Recordation Nos. 21438-N and 21892-F."

Enclosed is a check in the amount of sixty dollars (\$60.00), thirty dollars of which is in payment of the filing fee and thirty of which is for the requested cross index reference.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing and the two extra copies of this letter of transmittal.

Very truly your,

  
Allen H. Harrison, Jr.  
*Attorney for BTM Capital  
Corporation, for the purpose  
of this filing.*

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Enclosures

BY HAND

8212-020

Annex AUnits of Rolling Stock Collateral

<u>Old Car Marks</u>	<u>New Car Marks</u>
Twenty-four (24) 60'9" Plate F Boxcars, 104-ton capacity, double 8' plug doors, 286,000 lb. gross rail load, with end-of-car cushioning, numbered:  SRY 6074 through 6097 inclusive	Twenty-four (24) 60'9" Plate F Boxcars, 104-ton capacity, double 8' plug doors, 286,000 lb. gross rail load, with end-of-car cushioning, numbered:  LW 6074 through 6097 inclusive

## AMENDMENT NO. 1 TO AMENDED AND RESTATED SECURITY AGREEMENT

This AMENDMENT NO. 1 (this "Amendment"), dated as of July 31, 2002, to the Amended and Restated Security Agreement, dated as of October 19, 2001 (as amended, supplemented or otherwise modified from time to time, the "Security Agreement"), made by FLEX LEASING I, LLC (the "Borrower") to BTM CAPITAL CORPORATION, as collateral agent (the "Collateral Agent") for the Secured Parties. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Security Agreement and the Loan Agreement (as defined in the Security Agreement).

WHEREAS, the Security Agreement was recorded with the Surface Transportation Board on October 19, 2001, under Recordation No. 21888-U, and with the Registrar General of Canada on October 19, 2001, at 1:15 p.m.

WHEREAS, certain Units of Rolling Stock Collateral identified on Schedule 1 to the Security Agreement have been remarked as shown on Annex A attached hereto.

NOW, THEREFORE, Schedule 1 to the Security Agreement is hereby amended, only with respect to the collateral listed on Annex A attached hereto, to incorporate the change in marks as shown on Annex A attached hereto. The Majority Lenders (excluding the Agent) hereby consent to any and all further amendments to Schedule 1 to the Security Agreement, in writing and signed by the Borrower and the Collateral Agent, to reflect the remarking of the Units of Rolling Stock Collateral.

The parties hereto agree that all actions necessary to perfect and preserve the security interest granted in favor of the Collateral Agent for the ratable benefit of the Secured Parties pursuant to Section 2 of the Security Agreement, including the filing of (i) an amendment to the UCC financing statement and (ii) all necessary documentation with the Surface Transportation Board and the Registrar General of Canada, will be taken by the Borrower, at its sole cost and expense, as promptly as reasonably practicable but in no event later than fifteen (15) days after the execution by the parties of an amendment (including an amendment to reflect the remarking of the Units of Rolling Stock Collateral) to Schedule 1 to the Security Agreement.

The Borrower agrees to promptly notify the Majority Lenders and the Series Enhancer of each amendment to Schedule 1 to the Security Agreement and to deliver to the Collateral Agent, as soon as reasonably practicable, copies of any of the filings and documentation referred to in, or related to, the actions taken pursuant to the immediately preceding paragraph.

Except as expressly set forth herein, this Amendment (i) shall not, by implication or otherwise, limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of the Collateral Agent, as agent for the Secured Parties, under the Security Agreement or the Agent, Lenders or Series Enhancer under any other Loan Document, and (ii) shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Security Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

RECORDATION NO. 21888-2 FILED

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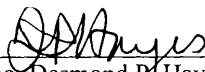
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SURFACE TRANSPORTATION BOARD

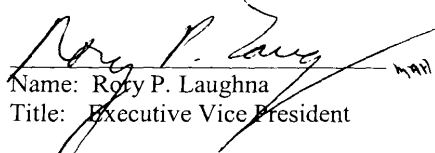
IN WITNESS WHEREOF, the Borrower has caused this Amendment to be duly executed by one of its officers, thereunto duly authorized, as of the day and year first above written.

FLEX LEASING I, LLC

  
Name: Desmond P. Hayes  
Title: President

Agreed and Accepted:

BTM CAPITAL CORPORATION, not in  
its individual capacity but solely as  
Collateral Agent

  
Name: Rory P. Laughna  
Title: Executive Vice President

MBIA INSURANCE CORPORATION

\_\_\_\_\_  
Name:

Title:

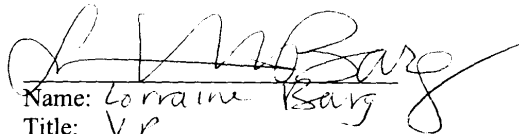
Agreed and Accepted:

BTM CAPITAL CORPORATION, not in  
its individual capacity but solely as  
Collateral Agent

\_\_\_\_\_  
Name:

Title:

MBIA INSURANCE CORPORATION

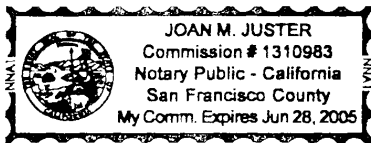
  
Name: Lorraine Berg  
Title: VP

STATE OF CA )  
) ss:  
COUNTY OF SF )

On this 3rd day of September, 2002, personally came before me, Desmond P. Hayes, who, being by me duly sworn, says he is President of Flex Leasing I, LLC and that said writing was signed on the date hereof by him on behalf of said company by its authority duly given. The said President acknowledged the execution of the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 3rd day of September 2002.

SEAL



*Joan M. Juster*  
\_\_\_\_\_  
Notary Public  
My Commission Expires: June 28, 2005

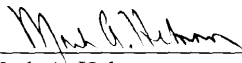


COMMONWEALTH OF MASSACHUSETTS )  
 ) ss:  
COUNTY OF SUFFOLK )

On this 12<sup>th</sup> day of September, 2002, personally came before me, Rory P. Laughna, who, being by me duly sworn, says he is Executive Vice President of BTM Capital Corporation and that said writing was signed on the date hereof by him on behalf of said corporation by its authority duly given. The said Rory P. Laughna acknowledged the execution of the said writing to be the act and deed of said corporation.

Witness my hand and notarial seal this 12<sup>th</sup> day of September, 2002.

SEAL

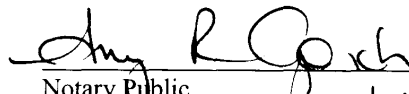
  
\_\_\_\_\_  
Mark A. Helman  
Notary Public  
My Commission Expires: June 16, 2006

STATE OF New York )  
 ) ss:  
COUNTY OF WESTCHESTER )

On this 19th day of August, 2002, personally came before me, Lorraine, who, being by me duly sworn, says she is a Vice President of MBIA Insurance Corporation and that said writing was signed on the date hereof by her on behalf of said corporation by its authority duly given. The said Lorraine Barg acknowledged the execution of the said writing to be the act and deed of said corporation.

Witness my hand and notarial seal this 19th day of August, 2002.

SEAL

  
Notary Public  
My Commission Expires: 9/6/06

AMY R. GONCH  
Notary Public, State of New York  
No. 01GO5033021  
Qualified in Westchester County  
Commission Expires September 6, 2006

**Annex A**

**Units of Rolling Stock Collateral**

<b><u>Old Car Marks</u></b>	<b><u>New Car Marks</u></b>
Twenty-four (24) 60'9" Plate F Boxcars, 104-ton capacity, double 8' plug doors, 286,000 lb. gross rail load, with end-of-car cushioning, numbered:  SRY 6074 through 6097 inclusive	Twenty-four (24) 60'9" Plate F Boxcars, 104-ton capacity, double 8' plug doors, 286,000 lb. gross rail load, with end-of-car cushioning, numbered:  LW 6074 through 6097 inclusive